

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about the action to be taken, you should immediately consult your bank manager, stockbroker, solicitor, accountant or other independent financial adviser authorised pursuant to the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your Shares in Albion Venture Capital Trust PLC (the Company), please send this document and accompanying documents, as soon as possible, to the purchaser or transferee or to the stockbroker, independent financial adviser or other person through whom the sale or transfer was effected for delivery to the purchaser or transferee.

Application has been made to the UKLA for the New Shares to be listed on the premium segment of the Official List and will be made to the London Stock Exchange for such New Shares to be admitted to trading on its main market for listed securities. The New Shares will rank *pari passu* with the existing issued Shares from the date of issue.

SGH Martineau LLP, which is regulated in the United Kingdom by the Solicitors Regulation Authority, is acting as legal adviser to the Company and Albion Prime VCT PLC and no-one else and will not be responsible to any other person for providing advice in connection with any matters referred to in this document.

ALBION VENTURE CAPITAL TRUST PLC

(Registered in England and Wales with registered number 03142609)

Recommended proposals to:

- **acquire the assets and liabilities of Albion Prime VCT PLC**
- **renew and increase the authority to issue and repurchase shares**
- **cancel nominal capital, the share premium account and the capital redemption reserve**

Your attention is drawn to the letter from the Chairman of the Company set out in Part III of this document which contains a recommendation to vote in favour of the resolutions to be proposed at the General Meeting referred to below. Your attention is also drawn to the risk factors set out in Part II of this document.

You will find set out at the end of this document notice of a General Meeting to be held at 12.00 noon on 17 September 2012 at The City of London Club, 19 Old Broad Street, London EC2N 1DS to approve resolutions to effect the proposals contained herein.

To be valid, the form of proxy attached to this document should be returned not less than 48 hours before the General Meeting, either by post or by hand (during normal business hours only) to the Company's registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY. For further information on the General Meeting or the completion and return of a form of proxy, please telephone Computershare Investor Services PLC between 8.30 a.m. and 5.30 p.m. (GMT) Monday to Friday (except UK public holidays) on telephone number 0870 873 5849 or, if telephoning from outside the UK, on +44 870 873 5849. Calls to Computershare Investor Services PLC helpline (0870 873 5849) are charged at national rates. Further details will be available from your service provider. Calls to Computershare Investor Services PLC from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. For legal reasons, Computershare Investor Services PLC will be unable to give advice on the merits of the proposals or provide financial, legal, tax or investment advice.

For further information, Shareholders are recommended to read the prospectus issued by the Company dated 27 July 2012 which accompanies this document.

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EXPECTED TIMETABLES

EXPECTED TIMETABLE FOR THE COMPANY

Latest time for receipt of forms of proxy for the General Meeting	12.00 noon on 15 September 2012
Annual General Meeting	11.00 a.m. on 17 September 2012
General Meeting	12.00 noon on 17 September 2012
Calculation Date	after 5.00 p.m. on 24 September 2012
Effective Date for the transfer of the assets and liabilities of Prime to the Company and the issue of New Shares pursuant to the Scheme*	25 September 2012
Announcement of the results of the Scheme	25 September 2012
Admission of and dealings in New Shares issued pursuant to the Scheme to commence	26 September 2012
CREST accounts credited with New Shares issued pursuant to the Scheme	26 September 2012
Certificates for New Shares issued pursuant to the Scheme dispatched	3 October 2012
Expected completion of the cancellation of share capital and reserves (subject to Court availability)	end of November 2012

(*this will, therefore, be the final expected date of trading of the Prime Shares)

EXPECTED TIMETABLE FOR PRIME

Date from which it is advised that dealings in Prime Shares should only be for cash settlement and immediate delivery of documents of title	7 September 2012
Latest time for receipt of forms of proxy for the Prime First General Meeting	3.30 p.m. on 15 September 2012
Prime Annual General Meeting	2.30 p.m. on 17 September 2012
Prime First General Meeting	3.30 p.m. on 17 September 2012
Latest time for receipt of forms of proxy for the Prime Second General Meeting	10.30 a.m. on 23 September 2012
Prime Register of Members closed	24 September 2012
Record Date for Prime Shareholders' entitlements under the Scheme	5.00 p.m. on 24 September 2012
Calculation Date	after 5.00 p.m. on 24 September 2012
Dealings in Prime Shares suspended	7.30 a.m. on 25 September 2012
Prime Second General Meeting	10.30 a.m. on 25 September 2012
Effective Date for the transfer of the assets and liabilities of Prime to the Company and the issue of New Shares pursuant to Scheme*	25 September 2012
Announcement of the results of the Scheme	25 September 2012
Cancellation of the Prime Shares' listing	8.00 a.m. on 24 October 2012

(*see the timetable for the Company with regard to admission, CREST accounts being credited and certificates being dispatched)

CORPORATE INFORMATION

Directors	David Watkins MBA Harvard (<i>Chairman</i>) John Kerr ACMA Jonathan Rounce FCA, FIH Jeffrey Warren ACCA (<i>all of the registered office</i>)
Registered Office	1 King's Arms Yard London EC2R 7AF Telephone: 020 7601 1850 Website: www.albion-ventures.co.uk
Company Number	03142609
Investment Manager, Administrator and Company Secretary	Albion Ventures LLP 1 King's Arms Yard London EC2R 7AF
Solicitors	SGH Martineau LLP No. 1 Colmore Square Birmingham B4 6AA
Sponsor	BDO LLP 125 Colmore Row Birmingham B3 3SD
Registrars	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS99 6ZZ
Reporting Accountant	Scott-Moncrieff Exchange Place 3 Semple Street Edinburgh EH3 8BL
Auditor	PKF (UK) LLP Farringdon Place 20 Farringdon Road London EC1M 3AP

PART I
DEFINITIONS

“Albion”	Albion Ventures LLP, the investment manager of the Company and Prime, of 1 King’s Arms Yard, London EC2R 7AF
“Annual General Meeting”	the annual general meeting of the Company for the year ended 31 March 2012 to be held on 17 September 2012
“Annual Report”	the audited annual report of the Company for the year ended 31 March 2012
“Board”	the board of directors of the Company
“CA 1985”	the Companies Act 1985, as amended from time to time
“CA 2006”	the Companies Act 2006, as amended from time to time
“Calculation Date”	the date on which the Roll-Over Value and the Merger Value will be calculated, anticipated as being after the close of business on 24 September 2012
“Circular”	this document
“Companies”	the Company and Prime
“Company” or “Albion VCT”	Albion Venture Capital Trust PLC
“Continuation Resolutions”	resolution 7 to be proposed at the Annual General Meeting of the Company to approve the extension of the life of the Company as a VCT and resolution 8 to be proposed at the Prime Annual General Meeting to approve the extension of the life of Prime as a VCT
“Directors”	the directors of the Company (and each a “Director”)
“Effective Date”	the date on which the Scheme will be completed, anticipated as being 25 September 2012
“Enlarged Company”	the Company, following implementation of the Scheme
“FSA”	the Financial Services Authority
“FSMA”	the Financial Services and Markets Act 2000, as amended
“General Meeting”	the general meeting of the Company to be held on 17 September 2012
“HMRC”	Her Majesty’s Revenue & Customs
“IA 1986”	the Insolvency Act 1986, as amended
“ITA 2007”	the Income Tax Act 2007, as amended
“Liquidators”	William Duncan and Sarah Louise Burge of RSM Tenon Limited, 2 Wellington Place, Leeds LS1 4AP, being the proposed liquidators for Prime
“Listing Rules”	the listing rules of the UKLA

“London Stock Exchange”	London Stock Exchange PLC
“Merger Ratio”	the Roll-Over Value divided by the Merger Value
“Merger Regulations”	Venture Capital Trusts (Winding-up and Mergers) (Tax) Regulations 2004
“Merger Value”	the value of a Share calculated in accordance with paragraph 4 of Part IV of this document
“NAV” or “net asset value”	net asset value
“New Shares”	the Shares to be issued by the Company to Prime Shareholders in accordance with the Scheme (and each a “New Share”)
“Official List”	the official list of the UKLA
“Prime”	Albion Prime VCT PLC, registered in England and Wales under number 03265074, whose registered office is at 1 King’s Arms Yard, London EC2R 7AF
“Prime Annual General Meeting”	the annual general meeting of Prime to be held on 17 September 2012
“Prime Annual Report”	the audited annual report of Prime for the year ended 31 March 2012
“Prime Board”	the board of directors of Prime
“Prime Circular”	the circular to Prime Shareholders dated 27 July 2012
“Prime First General Meeting”	the general meeting of Prime to be held on 17 September 2012
“Prime Meetings”	the Prime First General Meeting and the Prime Second General Meeting
“Prime Second General Meeting”	the general meeting of Prime to be held on 25 September 2012
“Prime Shareholders”	holders of Prime Shares (and each a “Prime Shareholder”)
“Prime Shares”	ordinary shares of 1 penny each in the capital of Prime (and each a “Prime Share”)
“Proposals”	the proposals to acquire the assets and liabilities of Prime pursuant to the Scheme and pass the Resolutions
“Proposed Director”	Ebbe Dinesen
“Prospectus”	the prospectus issued by the Company dated 27 July 2012 in relation to the Scheme
“Record Date”	the record date to which entitlements will be allocated pursuant to the Scheme, anticipated as being 24 September 2012
“Resolutions”	the resolutions to be proposed at the General Meeting (and each a “Resolution”)
“Roll-Over Value”	the value of a Prime Share calculated in accordance with paragraph 4 of Part IV of this document
“RPI”	Retail Price Index

“Scheme”	the proposed merger of the Company with Prime by means of placing Prime into members’ voluntary liquidation pursuant to Section 110 of IA 1986 and the acquisition by the Company of all of Prime’s assets and liabilities in consideration for New Shares, further details of which are set out in Part IV of this document
“Shareholders”	holders of Shares (and each a “Shareholder”)
“Shares”	ordinary shares of 50 pence each in the capital of the Company (and each a “Share”)
“TCGA 1992”	Taxation of Chargeable Gains Act 1992, as amended
“Transfer Agreement”	the agreement between the Company and Prime (acting through the Liquidators) for the transfer of all of the assets and liabilities of Prime by the Liquidators to the Company pursuant to the Scheme
“UK”	the United Kingdom
“UKLA” or “UK Listing Authority”	the UK Listing Authority, being the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of FSMA
“VCT” or “venture capital trust”	a company satisfying the requirements of Chapter 3 of Part 6 of ITA 2007 for venture capital trusts

PART II

RISK FACTORS

Shareholders and prospective Shareholders should consider carefully the following risk factors in addition to the other information presented in this document. If any of the risks described below were to occur, it could have a material effect on the Company's business, financial condition or results of operations. The risks and uncertainties described below (such as changes in legal, regulatory or tax requirements) are not the only ones the Company or Shareholders will face. Additional risks not currently known to the Company or the Board, or that the Company or the Board currently believe are not material, may also adversely affect the Company's business, financial condition or results of operations. The value of the Shares could decline due to any of the risk factors described below and Shareholders could lose part or all of their investment. Shareholders and prospective Shareholders should consult an independent financial adviser authorised under FSMA. References to the Company should be taken as including the Enlarged Company.

Scheme related risk factors

Completion of the Scheme is dependent upon a number of conditions precedent being fulfilled, including the approval of Shareholders. Whilst the Board has identified a number of potential benefits for the Enlarged Company, there is no certainty that these benefits will lead to improved prospects for the Enlarged Company. If the merger is not approved and effected, the benefits of the merger will not be realised.

Shareholders may be adversely affected by the performance of the investments, whether acquired from Prime or made by the Company. The performance of the investments acquired from Prime, as well as the investments of the Company, may restrict the ability of the Company following the merger to distribute any capital gains and revenue received on the investments transferred from Prime to the Company (as well as the investments of the Company). Any gains (or losses) made on the investments of the Company will, following the Scheme, be shared amongst all Shareholders *pro rata* to the number of Shares held.

Shareholders may be adversely affected by a change in the VCT status of the Company if a number of the investments acquired from Prime, or the investments of the Company, are, or become, unable to meet VCT requirements.

Enlarged Company risk factors

The value of Shares in the Enlarged Company, and the income from them, can fluctuate and Shareholders in the Enlarged Company may not get back the amount they invested. In addition, there is no certainty that the market price of Shares in the Enlarged Company will fully reflect their underlying NAV nor that any dividends will be paid. Shareholders in the Enlarged Company should not rely upon any share buyback policy to offer any certainty of selling their Shares in the Enlarged Company at prices that reflect the underlying NAV.

Although the existing Shares have been (and it is anticipated that the New Shares in the Enlarged Company to be issued pursuant to the Scheme will be) admitted to the premium segment of the Official List and are (or will be) traded on the London Stock Exchange's market for listed securities, the secondary market for VCT shares is generally illiquid (which may be partly attributable to the fact that initial tax reliefs are not available for VCT shares generally bought in the secondary market and because VCT shares usually trade at a discount to NAV) and Shareholders in the Enlarged Company may find it difficult to realise their investment. An investment in the Enlarged Company should, therefore, be considered as a long-term investment.

There is no guarantee the Enlarged Company will meet its objectives. The past performance of the Company, Prime and/or Albion is no indication of future performance of the Enlarged Company. The return received by Shareholders in the Enlarged Company will be dependent on the performance of the underlying investments. The value of such investments, and interest income and dividends therefrom, may rise or fall and Shareholders in the Enlarged Company may not get back the full amount invested when sold.

Although the Enlarged Company may receive customary venture capital rights in connection with some of its unquoted investments, as a minority investor it may not be in a position fully to protect its interests.

The Company's investments are, and the Enlarged Company's will generally be, in companies whose securities are not publicly traded or freely marketed and may, therefore, be difficult, and take time, to realise. There may also be constraints imposed on the realisation of investments in order to maintain the VCT tax status of the Enlarged Company.

It can take a period of years for the underlying value or quality of the businesses of smaller companies, such as those in which the Enlarged Company invests, to be fully reflected in their market values and their market values are often also materially affected by general market sentiment, which can be negative for prolonged periods.

Investment in unquoted companies, by its nature, involves a higher degree of risk than investment in companies listed on the Official List which could result in the value of such investment, and interest income and dividends therefrom, reducing. In particular, small companies often have limited financial resources and may be dependent for their management on a small number of key individuals and may not produce the hoped-for returns. In addition, the market in smaller companies is usually less liquid than that for securities in larger companies, bringing with it potential difficulties in acquiring, valuing and disposing of such companies. Investment returns will, therefore, be uncertain and involve a higher degree of risk than investment in a company listed on the Official List.

The success of some investments may be based on the ability of investee companies to establish, protect and enforce intellectual property rights, those rights being broad enough to protect proprietary interests and the rights not infringing third party patents.

The leisure sector, where a number of the Enlarged Company's asset-based investments may be made, is sensitive to any further down turn in the economic environment which may impact on the success of investments.

A charge given to the Enlarged Company over an asset will not always provide full capital protection for an investment. The Enlarged Company may not, therefore, recover the full amount invested in any one investee company.

Whilst it is the intention of the Board that the Enlarged Company will continue to be managed so as to qualify as a VCT, there can be no guarantee that such status will be maintained. Failure to continue to meet the qualifying requirements could result in the Shareholders in the Enlarged Company losing the tax reliefs available for VCT shares, resulting in adverse tax consequences including, if the holding has not been held for the relevant holding period, a requirement to repay the tax reliefs obtained. Furthermore, should the Enlarged Company lose its VCT status, dividends and gains arising on the disposal of Shares in the Enlarged Company would become subject to tax and the Enlarged Company would also lose its exemption from corporation tax on its capital gains.

Any change of governmental, economic, fiscal, monetary or political policy could materially affect, directly or indirectly, the operation of the Enlarged Company and/or the performance of the Enlarged Company and the value of and returns from Shares and/or their ability to achieve or maintain VCT status.

If a Shareholder in the Enlarged Company disposes of his or her Shares in the Enlarged Company within five years of issue, he or she will be subject to clawback by HMRC of any income tax reliefs originally claimed. For these purposes, the date of issue of the New Shares in the Enlarged Company issued pursuant to the Scheme will be the original date of issue of the Prime Shares in respect of which such New Shares in the Enlarged Company are issued. Any realised losses on the disposal of Shares in the Enlarged Company cannot be used to create an allowable loss for capital gains tax purposes.

If a Shareholder disposes of his or her Shares (or New Shares as the case may be), he or she will be liable to pay any capital gains tax for which such Shareholder obtained deferral relief on subscription.

If at any time VCT status is lost for the Enlarged Company, dealings in its Shares will normally be suspended until such time as proposals to continue as a VCT or to be wound-up have been announced.

The tax rules, or their interpretation, in relation to an investment in the Enlarged Company and/or the rates of tax may change during the life of the Enlarged Company and may apply retrospectively which may affect tax reliefs obtained by Shareholders in the Enlarged Company and the VCT status of the Enlarged Company.

Any purchaser of existing Shares in the Enlarged Company in the secondary market will not qualify for the then (if any) available tax reliefs afforded to subscribers of new VCT shares on the amount invested.

PART III

LETTER FROM THE CHAIRMAN

ALBION VENTURE CAPITAL TRUST PLC

(Registered in England and Wales with registered number 03142609)

Directors:

David Watkins MBA Harvard (*Chairman*)
John Kerr ACMA
Jonathan Rounce FCA, FIH
Jeff Warren ACCA

Registered Office:

1 King's Arms Yard
London
EC2R 7AF

27 July 2012

Dear Shareholder

Recommended proposals to acquire all of the assets and liabilities of Albion Prime VCT PLC, renew and increase the authority to issue and repurchase shares and cancel capital and reserves

The Board and the Prime Board announced on 16 May 2012 that they had agreed in principle to merge the Companies. I am pleased to advise Shareholders that discussions have now concluded and the purpose of this letter is to set out the proposals for such a merger for consideration by Shareholders. The merger is expected to deliver cost savings and strategic benefits to both sets of shareholders and will, if effected, result in an Enlarged Company with net assets of over £40 million.

The approval of Shareholders is required under CA 2006 to authorise the allotment of New Shares pursuant to the merger, amend the articles of association, renew and increase the annual authorities to issue and repurchase shares, cancel the Company's share premium account and capital redemption reserve and reduce the capital of the Company.

A specific resolution to approve the acquisition of the assets and liabilities of Prime to effect the merger is not required. However, in light of the nature of the Proposals, the Board believes it appropriate to include this as part of Resolution 1 to be proposed at the General Meeting.

Illustrative Terms

As an illustration, had the merger been completed on 31 March 2012, every Prime Share in issue would effectively have been exchanged for 0.8823 New Shares (taking into account the interim dividends declared by the Companies for the current year ending 31 March 2013 and any buybacks and issues of shares in either of the Companies between 31 March 2012 and 16 July 2012). The actual Merger Ratio will be calculated on the Calculation Date, this being 24 September 2012, in accordance with the merger terms set out in paragraph 4 of Part IV of this Circular.

Background

The Company (formerly Close Brothers Venture Capital Trust PLC) was launched in 1996 with an issue of ordinary shares that year and an issue of C shares the following year. The C shares were merged with the ordinary shares in 2000.

As at 31 March 2012, the Company had audited net assets of £28.4 million (78.0 pence per Share) and, in aggregate, venture capital investments in 31 companies with a carrying value of £25.9 million. The total return to Shareholders for every £1 invested as at 31 March 2012 is set out in the table overleaf:

	<i>Shares**</i>
Total dividends paid *	119.80p
Audited NAV	78.00p
Total net asset value return since launch	<u>197.80p</u>

* Dividends paid before 5 April 1999 were paid to qualifying shareholders inclusive of associated tax credits. In addition to the total dividends paid in the table above, the Board has declared a first interim dividend for the current financial year of 2.5 pence per Share to be paid on 31 July 2012 to Shareholders on the register on 6 July 2012.

** The equivalent amount of dividends paid, audited NAV and total net asset value return to the former holders of C ordinary shares in the Company is 108.25p, 78.0p and 186.25p respectively. These C ordinary shares were merged into the Shares in 2000.

Albion Prime VCT PLC (formerly Albion Protected VCT PLC and before that Close Brothers Protected VCT PLC) was launched in 1997. As at 31 March 2012, Prime had audited net assets of £14.7 million (68.0 pence per Prime Share) and, in aggregate, venture capital investments in 30 companies with a carrying value of £13.5 million. The total return to Prime Shareholders for every £1 invested as at 31 March 2012 is set out in the table below:

	<i>Prime Shares</i>
Total dividends paid	47.45p
Audited NAV	68.00p
Total net asset value return since launch	<u>115.45p</u>

* Dividends paid before 5 April 1999 were paid to qualifying Prime Shareholders inclusive of associated tax credits. In addition to the total dividends paid in the table above, the Prime Board has declared an interim dividend for the current Prime financial year of 1.5 pence per Prime Share to be paid on 31 August 2012 to Prime Shareholders on the register on 3 August 2012.

Both the Company and Prime have the same overall aim of maximising the considerable tax benefits available to shareholders in a venture capital trust by having an investment strategy which is designed to meet the requirements of investors who seek to protect the capital value of their investment whilst still providing an attractive level of return.

In addition, following changes in Prime's investment policy in 2002 and 2005, the two Companies now have the same investment policy. As a result, the venture capital investments which are common across the Companies' respective portfolios represented approximately 93 per cent. of the aggregate value of venture capital investments as at 31 March 2012.

VCTs are required to be listed on the premium segment of the Official List, which involves a significant level of listing costs as well as related fees to ensure they comply with all relevant legislation. A larger VCT should be better placed to spread such running costs across a larger asset base and, as a result, may be able to maximise investment opportunities and pay a higher level of dividends to shareholders over its life.

In September 2004, the Merger Regulations were introduced allowing VCTs to be acquired by, or merge with, each other without prejudicing the VCT tax reliefs obtained by their shareholders. A number of VCTs (including other VCTs managed by Albion) have taken advantage of these regulations to create larger VCTs for economic and administration efficiencies.

With the above in mind, the Board entered into discussions with the Prime Board and Albion to consider a merger of the Company and Prime to create a single, larger VCT. The aim of the Board is to achieve strategic benefits and reductions in the annual running costs for both sets of shareholders and establish a platform from which the investment mandate can be better operated.

The Merger

Following detailed consideration of the portfolios and the financial position of the Company and Prime, the Board and the Prime Board have reached agreement to merge the Companies.

The mechanism by which the merger will be completed is as follows:

- Prime will be placed into members' voluntary liquidation pursuant to a scheme of reconstruction under Section 110 IA 1986; and
- all of the assets and liabilities of Prime will be transferred to the Company in consideration for the issue of New Shares (which will be issued directly to Prime Shareholders).

The merger will be completed on a relative net asset value basis, adjusted for merger costs. The merger is conditional upon the approval by the shareholders of the Company and of Prime of resolutions to be proposed at the General Meeting and the Prime Meetings, and the other conditions set out in paragraph 8 of Part IV of this document. These conditions include the passing of the Continuation Resolutions by the Companies' shareholders at their respective annual general meetings, these being resolutions to continue as a VCT proposed every five years. Should either of these resolutions not be passed, the Board will withdraw Resolution 1 to 4 and consider further the future of the Company.

The merger will result in the creation of an enlarged company and should result in savings in running costs and simpler administration. As both Companies have the same investment policy, investment manager and other main advisers, this is achievable without major additional cost or disruption to the Companies and their combined portfolio of investments.

The Board considers that this merger will bring a number of benefits to both groups of shareholders through:

- the creation of a single VCT of a more economically efficient size with a greater capital base over which to spread administration, regulatory and management costs;
- a reduction in annual running costs for the Enlarged Company compared to the total annual running costs of the separate Companies;
- amalgamation of the Companies' portfolios, which are substantially the same, for efficient management and administration;
- participation in a larger VCT with the longer term potential for a more diversified portfolio thereby spreading the portfolio risk across a broader range of investments; and
- enhancing the ability of the Enlarged Company to raise new funds, as well as pay dividends and support buy backs in the future.

In addition, the changes announced to the VCT investment limits and size test, in particular the removal of the £1 million per annum investment limit per VCT in an investee company, will reduce the need for co-investment between sister VCTs to participate in larger investments (effective for investments made on or after 6 April 2012).

Normal annual running costs for the Company and Prime are approximately £816,000 and £456,000 respectively (£1,272,000 in aggregate). Normal running costs means the annual expenses incurred in the ordinary course of business including investment management and administration fees, directors' remuneration, listing fees and normal fees payable to service providers. It does not include exceptional items, for example merger costs. These annual costs represent approximately 2.9 per cent. of the Company's audited net asset value and 3.1 per cent. of Prime's audited net asset value, in each case as at 31 March 2012.

The aggregate anticipated cost of undertaking the merger is approximately £230,000, including VAT, legal and professional fees, stamp duty and the costs of winding up Prime. The costs of the merger will be split proportionately between the Company and Prime by reference to their respective merger net assets (ignoring merger costs).

On the assumption that the net assets of the Enlarged Company will remain the same immediately after the merger, annual cost savings for the Enlarged Company are estimated to be approximately £168,000 per annum (this represents a saving of £60,000 in respect of directors' fees, £74,000 for secretarial, administration, registrars, auditors and tax compliance fees and with the balance of the savings being made up of regulatory fees and general day-to-day expenses). This would represent 0.4 per cent. per annum of the expected net assets of the Enlarged Company. On this basis, and assuming that no new funds are raised or investments realised to meet annual costs, the Board believes that the costs of the merger would be recovered within 18 months.

The Board believes that the Scheme provides an efficient way of merging the Companies with a lower level of costs compared with other merger routes. Although either of the Companies could have acquired all of the assets and liabilities of the other, the Company was selected as the acquirer because of its larger size, which would have resulted in an increased stamp duty cost if Prime had acted as the acquiring VCT. Shareholders should note that the merger by way of the Scheme will be outside the provisions of the City Code on Takeovers and Mergers.

As is required by CA 2006, prior to the allotment of the New Shares pursuant to the Scheme, the Company will be posting to Prime Shareholders at their registered addresses and uploading on to the Company's website a valuation report which will be prepared by Scott-Moncrieff. This report will confirm to the Company that the value of Prime's assets and liabilities which are being transferred to the Company as part of the Scheme is not less than the aggregate amount treated as being paid up on the New Shares being issued to Prime Shareholders.

The portfolio of assets which will be transferred from Prime to the Company as part of the Scheme are all considered to be in keeping with the Company's investment policy, particularly as all but one of Prime's venture capital investments are common across the Companies' respective portfolios as at 31 March 2012. The extent of the liabilities (if any) which will be transferred from Prime to the Company as part of the merger will be those which are incurred in the ordinary course of business, together with the merger costs which remain unpaid at the time of transfer. Any such liabilities are expected to be *de minimis* in comparison to the value of the assets.

Prime Shareholders who do not vote in favour of the resolution to be proposed at the Prime First General Meeting are entitled to dissent and have their shareholding purchased by the Liquidators at the break value price of a Prime Share (expected to be at a significant reduction to the net asset value of a Prime Share). If the conditions of the Scheme are not satisfied, the Company will continue in its current form and the Board will continue to review all options available to it regarding the future of the Company.

Under CA 2006, all provisions contained in a company's memorandum of association were, from 1 October 2009, deemed to be contained in the articles. As a result, from 1 October 2009, the Company has been limited as to the amount of Shares it can issue by reference to its authorised share capital of £34,000,000. In order to allow the Directors to issue the New Shares pursuant to the Scheme and for the purpose of further issues, the Directors propose to amend the Articles by removing such authorised share capital provisions. Shareholder approval (pursuant to an ordinary resolution) is required to make this amendment and is being sought as part of Resolution 1.

Further information regarding the terms of the Scheme is set out in Part IV of this document.

Investment Management and Administration Arrangements

Albion is the investment manager of the Company and of Prime and also provides administration services to both companies.

In respect of the Company, Albion is entitled to an annual investment management fee of an amount equivalent to 2 per cent. of the net assets of the Company and an annual administration fee which amounted to £43,528 for the year ended 31 March 2012 and is increased annually by RPI (in each case exclusive of VAT, if any). The normal annual running costs of the Company (including investment management and administration fees due to Albion, directors' remuneration, registrars' fees, stockbrokers' fees, company secretarial fees, fees of the Company's auditors and irrecoverable VAT) are capped at an amount equivalent to 3.5 per cent. of net asset value of the Company, with any excess being paid by Albion or refunded by a reduction in Albion's management and administration fees. Albion's appointment is terminable on 12 months' notice.

In respect of Prime, Albion is entitled to an annual investment management fee of an amount equivalent to 1.8 per cent. of the investments and cash held by Prime and an annual administration fee of £27,865 (in each case exclusive of VAT, if any). Prime has an identical normal annual running costs cap of 3.5 per cent. and Albion's appointment is also terminable on 12 months' notice.

Albion is entitled to a performance incentive fee from the Company, subject to certain criteria being met. The Company will pay an incentive fee to Albion of an amount equal to 8 per cent. of any excess above a

total return (representing dividends paid and growth in net asset value) of 5 per cent. per annum, paid annually in cash. Any shortfall of the target return in one year will be carried forward into subsequent periods and the incentive fee will only be paid once all previous and current target returns have been met.

Prime has a similar performance incentive fee arrangement with Albion, save that Albion receives 10 per cent. of any excess above a total return of 5 per cent. per annum.

Albion will continue to provide investment management services to the Enlarged Company following the merger on the same basis as is currently in place with the Company, except that the Company and Albion have agreed that the management fee will be reduced from the Effective Date to an amount equivalent to 1.9 per cent. of the Company's net assets. The administration and performance incentive arrangements currently in place with the Company shall also continue unchanged for the Enlarged Company and will automatically cover the enlarged assets and New Shares issued. With effect from the Effective Date, Albion will no longer receive the administration fee previously paid by Prime.

The Board

The Board has four non-executive directors: David Watkins (Chairman), John Kerr, Jonathan Rounce and Jeff Warren.

The Board and the Prime Board have considered what the size and future composition of the Enlarged Company's board should be following the merger and it has been agreed that Jonathan Rounce will step down as a Director of the Company and that Ebbe Dinesen (a director of Prime) will be appointed as a director of the Company. This will result in reducing the aggregate number of directors from eight across both companies to four for the Enlarged Company resulting, in aggregate, in an annual cost saving of £60,000.

The directors of Prime have (subject to the Scheme becoming effective) agreed to waive directors' fees in respect of their appointments to Prime from the Effective Date. Jonathan Rounce, being a Director of the Company, has also agreed to terminate his appointment to the Company from the Effective Date without compensation.

On the assumption that the merger is approved, the Board would like to take the opportunity to welcome Ebbe Dinesen as a Director and to thank Jonathan Rounce for his commitment and guidance to the Company.

Share Issue and Buyback Authorities

In order to implement the merger, the Board will need to be authorised to issue New Shares pursuant to the Scheme.

The Company also proposes at the General Meeting to renew and increase its authorities to issue Shares (having disappplied pre-emption rights) for general purposes and make market purchases of Shares reflecting the increased share capital of the Company following the merger. These are general annual authorities taken each year, though currently there is no intention to utilise the authorities to issue shares (with the exception of the dividend reinvestment scheme and small top up offers which do not require a prospectus to be issued by the Company).

Cancellation of Capital, the Share Premium Account and the Capital Redemption Reserve

One of the main principles of company law is that the capital of a company should be maintained and, therefore, a company with share capital must obtain proper consideration for the shares that it issues and must not return funds which have been subscribed for shares except in certain prescribed ways. The principle of maintenance of capital underlies various provisions of CA 2006 – for example, a company may only make distributions to its members out of distributable profits and a company may only buy back its own shares in limited circumstances.

A company can, however, reduce its share capital in circumstances where creditors will not be adversely affected, provided that the company complies with certain procedural requirements. CA 2006 provides that a company may reduce its capital by special resolution, subject to confirmation by the Court. A special reserve will then be created from the sums set free from such a cancellation which can be regarded as a distributable reserve.

The Company has completed previous cancellations of its share premium, and the special reserve created by such cancellation has enhanced the ability of the Company to make distributions and buy back Shares. The issue of New Shares pursuant to the Scheme will result in the creation of further share premium.

The Board considers it to be in the interest of Shareholders to enhance the Company's ability to support the future payment of dividends by, subject to the approval of the Court, restructuring the Company's balance sheet by means of the cancellation and extinction of 49 pence of the amount paid up or credited as paid up in respect of the nominal value of its issued Shares. The Board does not believe that such proposal will negatively impact on individual Shareholders. It is merely a mechanism by which further distributable reserves can be created (subject to the approval of the Court) to support payment of future dividends as well as other distributable and corporate purposes.

Paragraph (i) of Resolution 5 to be proposed at the General Meeting seeks the approval of this cancellation of share capital, subject to the sanction of the Court.

In addition, the Board considers it prudent to take the opportunity also to seek approval of Shareholders at the General Meeting for the cancellation of the share premium account and the capital redemption reserve (subject to the sanction of the Court). Approval of these cancellations is being sought pursuant to paragraphs (ii) and (iii) of Resolution 5 respectively.

The sums set free by the proposals above would create further distributable reserves to fund distributions to Shareholders and buybacks, to set off or write off losses and for other distributable and corporate purposes of the Company. If Resolution 5 is approved, the Board intends to apply to Court to sanction the cancellations (which is not conditional on the merger being completed). It is expected that the completion of the cancellations will take place before the end of the year, though each such cancellation might be undertaken independently. Share certificates for Shares (including New Shares issued pursuant to the merger, if approved) will continue to be valid and will not be replaced as the cancellations will not affect the number of Shares held.

Taxation

The following paragraphs apply to the Company and to persons holding Shares as an investment in the Company who are the absolute beneficial owners of such Shares and are resident in the UK. They may not apply to certain classes of persons such as dealers in securities. The information is based on current UK law and practice, is subject to changes therein, is given by way of general summary and does not constitute legal or tax advice. If you are in any doubt about your position, or if you may be subject to tax in a jurisdiction other than the UK, you should consult your independent financial adviser.

The implementation of the Scheme should not affect the status of the Company as a VCT or the reliefs obtained by Shareholders on subscription for existing Shares. Confirmation to this effect has been obtained from HMRC.

Although the Company will be required to pay UK stamp duty on the transfer to it of the assets and liabilities of Prime (which form part of the merger costs), no UK stamp duty will be payable directly by Shareholders as a result of the implementation of the Scheme.

General Meeting

Notice of the General Meeting is set out at the end of this document. The General Meeting will be held at 12.00 noon on 17 September 2012 (or as soon as the Annual General Meeting has concluded) at The City of London Club, 19 Old Broad Street, London EC2N 1DS.

An explanation of the Resolutions to be proposed at the General Meeting is set out below:

Resolution 1 is a composite resolution to approve the acquisition of all of the assets and liabilities of Prime and issue New Shares and amend the Articles in connection therewith.

Paragraph (i) of Resolution 1 will approve the acquisition of all of the assets and liabilities of Prime pursuant to the Scheme.

Paragraph (ii) of Resolution 1 will authorise the Directors pursuant to Section 551 CA 2006 to allot New Shares in the Company up to an aggregate nominal value of £12,500,000 (representing 62 per cent. of the issued share capital of the Company as at 26 July 2012, this being the latest practicable date prior to the publication of this document) in connection with the Scheme. The authority conferred by paragraph (ii) of Resolution 1 will expire 18 months from the date of the passing of this resolution unless renewed, varied or revoked by the Company in general meeting and will be in addition to existing authorities.

Paragraph (iii) of Resolution 1 will authorise the removal of the provisions of the memorandum of association which have been incorporated into the Articles by virtue of CA 2006.

Resolutions 2 to 4 are resolutions to renew and increase allotment and repurchase authorities. These are renewals of existing authorities to reflect the enlarged share capital in the Company following the merger.

Resolution 2 will authorise the Directors pursuant to Section 551 CA 2006 to allot shares in the Company up to an aggregate nominal value of £3,267,400 (representing 16.2 per cent. of the issued share capital of the Company as at 26 July 2012, this being the latest practicable date prior to the publication of this document) for the purpose set out in Resolution 3. The authority conferred by Resolution 2 will be in addition to the authority conferred under Resolution 1 and will expire on the conclusion of the annual general meeting of the Company to be held in 2013 unless renewed, varied or revoked by the Company in general meeting and will be in addition to existing authorities. The Board does not intend to utilise this authority, with the exception of the dividend reinvestment scheme and small top up offers which do not require a prospectus to be issued by the Company.

Resolution 3 will disapply pre-emption rights in respect of the allotment of shares in the capital of the Company up to 10 per cent. of its enlarged issued share capital from time to time, the proceeds of which may be used, in part or whole, to purchase the Company's own shares. The authority conferred by Resolution 3 will expire on the conclusion of the annual general meeting of the Company to be held in 2013 unless renewed, varied or revoked by the Company in general meeting and will be in addition to existing authorities.

Resolution 4 will authorise the Company to make market purchases of up to 9,795,666 shares in the capital of the Company (representing approximately 14.99 per cent. of the maximum expected share capital following the merger). Any shares bought back under this authority will be at such price determined by the Board, and in accordance with the Listing Rules, and may be cancelled or held in treasury as may be determined by the Board. The authority conferred by Resolution 4 will expire on the conclusion of the annual general meeting of the Company to be held in 2013 and will be in addition to existing authorities. The Board intends to utilise this authority to buy back shares from time to time.

Resolution 5 is a composite resolution to cancel capital and other capital reserves of the Company.

Paragraph (i) of Resolution 5 will authorise (subject to the sanction of the Court) 49 pence of the nominal amount paid up or credited as paid up on a Share in issue, as at 6.00 p.m. on the date on which an order is made confirming such cancellation by the Court, being cancelled and extinguished.

Paragraph (ii) of Resolution 5 will authorise the cancellation of the share premium account of the Company at the date an order is made confirming such cancellation by the Court.

Paragraph (iii) of Resolution 5 will authorise the cancellation of the capital redemption reserve of the Company at the date an order is made confirming such cancellation by the Court.

Resolution 1 will be proposed as an ordinary resolution requiring the approval of at least 50 per cent. of the votes cast on the resolution. Resolutions 2 to 5 will be proposed as special resolutions requiring the approval of 75 per cent. of the votes cast on the resolutions respectively. The Resolutions are not conditional on each other.

Action to be Taken

Before taking any action, you are recommended to read the further information set out in this document.

Shareholders will find attached at the end of this document the form of proxy for use at the General Meeting. Whether or not you propose to attend the General Meeting, you are requested to complete and return the form of proxy attached so as to be received not less than 48 hours before the time appointed for holding of the General Meeting. Completion and return of a form of proxy will not prevent you from attending and voting in person at the General Meeting, should you wish to do so.

Recommendation

The Board is of the opinion that the Proposals are in the best interests of the Shareholders as a whole and unanimously recommends you to vote in favour of the Resolutions as they intend to do in respect of their own holdings of 49,746 Shares, representing approximately 0.13 per cent. of the total voting rights of the Company.

Yours faithfully

David Watkins

Chairman

PART IV

THE SCHEME

1. Definitions and Interpretation

The definitions set out in Part I of this document shall have the same meanings when used in the context of this Part IV.

On or immediately prior to the Effective Date, Albion (on the instruction of the Liquidators) shall calculate the Merger Value and the Roll-Over Value in accordance with paragraph 4 below.

2. Provision of Information

On the Effective Date, the Liquidators shall receive all the cash, undertakings and other assets and liabilities of Prime and shall deliver to the Company:

- particulars of all of the assets and liabilities of Prime;
- a list certified by the registrars of the names and addresses of, and the number of Prime Shares held by, each of the Prime Shareholders on the register at 5.30 p.m. on the Record Date;
- an estimate of the winding-up costs of Prime; and
- the amount estimated to be required to purchase the holdings of any dissenting Prime Shareholders.

3. Transfer Agreement

On the Effective Date, the Company and the Liquidators (on behalf of Prime) will enter into the Transfer Agreement (subject to such modifications as may be agreed between the parties thereto) pursuant to which the Liquidators will procure the transfer of all of the assets and liabilities of Prime to the Company in exchange for the issue of New Shares (credited as fully paid up) to the Prime Shareholders on the basis set out in paragraph 4 below.

In further consideration of such transfer of assets and liabilities of Prime to the Company, the Company will, pursuant to the Transfer Agreement, undertake to pay all liabilities incurred by the Liquidators including, but not limited to, the implementation of the Scheme, the winding up of Prime and the purchase for cash of any holdings of dissenting Prime Shareholders.

4. Calculations

Except as otherwise provided for in the Scheme terms, for the purposes of calculating the Roll-Over Value, the Merger Value and the number of New Shares to be issued, the following provisions will apply:

Prime Roll-Over Value

The Roll-Over Value will be calculated as:

$$\frac{(A + B + C) - (D + E)}{F}$$

where:

A = the unaudited net assets of Prime as at 30 June 2012;

B = any (i) increase/decrease in the valuation of an investment held by Prime where there has been an event in the period between 30 June 2012 and the Calculation Date which requires a revaluation of the investment in accordance with Financial Reporting Standards 26 'Financial Instruments: Measurement' and using International Private Equity and Venture Capital Valuation Guidelines and (ii) any material increase/decrease in the cash position and/or debtors and/or the creditors of Prime between 30 June 2012 and the Calculation Date (including the payment of the interim dividend to be paid to Prime Shareholders on 31 August 2012);

- C = any adjustment the Board and the Prime Board consider appropriate to reflect any other actual or contingent benefit or liability of Prime;
- D = Prime's *pro rata* proportion (by reference to the relative aggregate Roll-Over Value of all the Prime Shares and the aggregate Merger Value of all Shares, but ignoring merger costs), of the costs of the merger plus £10,000 (representing an amount of contingency to cover any unforeseen additional costs attributable to Prime incurred by the Company, which will indemnify the Liquidators in respect of all costs of Prime following the transfer on the Effective Date);
- E = the amount estimated to be required to purchase the holdings of Prime Shares from dissenting Prime Shareholders; and
- F = the number of Prime Shares in issue as at close of business on the Record Date (save for any Prime Shares held by dissenting Prime Shareholders).

The Company Merger Value

The Merger Value will be calculated as follows:

$$\frac{(G + H + I) - J}{K}$$

where:

- G = the unaudited net assets of the Company as at 30 June 2012;
- H = any (i) increase/decrease in the valuation of an investment held by the Company where there has been an event in the period between 30 June 2012 and the Calculation Date which requires a revaluation of the investment in accordance with Financial Reporting Standards 26 'Financial Instruments: Measurement' and using International Private Equity and Venture Capital Valuation Guidelines and (ii) any material increase/decrease in the cash position and/or debtors and/or the creditors of the Company between 30 June 2012 and the Calculation Date (including the payment of the interim dividend to be paid to Shareholders on 31 July 2012);
- I = any adjustment that both the Board and the Prime Board considers appropriate to reflect any other actual or contingent benefit or liability of the Company;
- J = the Company's *pro rata* proportion (by reference to the relative aggregate Roll-Over Value of all the Prime Shares and the aggregate Merger Value of all Shares, but ignoring merger costs) of the costs of the merger; and
- K = the number of Shares (ignoring any Shares held in treasury) in issue as at close of business on the Record Date.

New Shares to be issued to Prime Shareholders

The number of New Shares to be issued to Prime Shareholders (save for any dissenting Prime Shareholders) will be calculated as follows:

$$\left(\frac{L}{M}\right) \times N$$

where:

- L = the Roll-Over Value;
- M = the Merger Value; and
- N = the number of Prime Shares in issue as at close of business on the Record Date (save for any Prime Shares held by dissenting Prime Shareholders).

The number of New Shares to be issued pursuant to the Scheme will not be greater than 25 million and will be issued directly to Prime Shareholders *pro-rata* to their existing holdings (disregarding Prime Shares held by dissenting Prime Shareholders) on the instruction of the Liquidators.

The merger ratio will be rounded to four decimal places and entitlements will be rounded down to the nearest whole number. Any fractional entitlements in respect of each holding (which, in each case, will not exceed £1) will be sold and the proceeds retained for the benefit of the Enlarged Company.

Where Prime Shareholders hold their Prime Shares in certificated form, they will receive a new certificate for the New Shares issued and where Prime Shareholders hold their Prime Shares in uncertificated form, their CREST accounts will be credited with the new holding in New Shares.

Prime Shareholders who are members of the dividend re-investment scheme operated by Prime will, unless a Prime Shareholder advises otherwise in writing to Computershare, be transferred into the dividend re-investment scheme operated by the Company in respect of the New Shares issued pursuant to the Scheme. Further, dividend payment mandates provided for Prime Shares will, unless a Prime Shareholder advises otherwise in writing to Computershare, be transferred to the Company.

An application has been made to the UKLA for the New Shares to be listed on the premium segment of the Official List and will be made to the London Stock Exchange for such New Shares to be admitted to trading on its market for listed securities. The New Shares will rank *pari passu* with the existing issued Shares from the date of issue (for the avoidance of doubt, however, holders of the New Shares will not be entitled to the Company's first interim dividend in respect of the current financial year, payable on 31 July 2012 to Shareholders on the Company's register on 6 July 2012).

Scheme Illustration

As at 31 March 2012, the audited NAV per Share of the Company (taken from the Annual Report) was 78.0 pence. The Merger Value of a Share (had the merger been completed on that date and calculated in accordance with this paragraph 4, including an adjustment for the first interim dividend declared for the current year ending 31 March 2013 and buybacks and issues of shares by the Company between 31 March 2012 and 16 July 2012) would have been 75.19 pence.

As at 31 March 2012, the audited NAV of a Prime Share (taken from the Prime Annual Report) was 68.0 pence. The Roll-Over Value of a Prime Share (had the merger been completed on that date and calculated in accordance with this paragraph 4, including an adjustment for the interim dividend declared by the Prime Board for the current year ending 31 March 2013 and buybacks and issues of shares by Prime between 31 March 2012 and 16 July 2012) would have been 66.35 pence (assuming no dissenting Prime Shareholders).

The number of New Shares that would have been issued to Prime Shareholders (had the merger been completed on 31 March 2012, calculated in accordance with this paragraph 4 and taking into account the interim dividends declared by the Companies for the current year ending 31 March 2013 and buybacks and issues of shares in either of the Companies between 31 March 2012 and 16 July 2012) would be 19,378,681 (0.8823 New Shares for every Prime Share held). The New Shares would have been issued to all Prime Shareholders *pro-rata* to their holdings in Prime (assuming no dissenting Prime Shareholders). This ignores the Shares and the Prime Shares held in treasury to which no value is attributed and, in respect of the Prime Shares held in treasury, which will be cancelled prior to the Effective Date.

5. Modifications

The provisions of the Scheme shall have effect subject to such non-material modifications or additions, which may include changes to the timetable, as the parties to the Transfer Agreement may from time to time approve in writing.

6. Reliance on Information

The Liquidators and the Company shall be entitled to act and rely, without enquiry, on any information furnished or made available to them or any of them, as the case may be, in connection with the Scheme and the Transfer Agreement including, for the avoidance of doubt, any certificate, opinion, advice, valuation, evidence or other information furnished or made available to them by the Company, Prime, the Board, the Prime Board, any individual director of the Company or Prime, Albion, the registrar or the custodians or

bankers of the Company and Prime or its or their other professional advisers and the Liquidators shall not be liable or responsible for any loss suffered as a result thereof.

7. Liquidators' Liability

Nothing in the Scheme or in any document executed under or in connection with the Scheme shall impose any personal liability on the Liquidators or either of them save for any liability arising out of any negligence, breach of duty or wilful default by the Liquidators in the performance of their duties and this shall, for the avoidance of doubt, exclude any such liability for any action taken by the Liquidators in accordance with the Scheme or the Transfer Agreement.

8. Conditions

The Scheme is conditional upon:

- the passing of the Continuation Resolutions to be proposed at the Annual General Meeting and Prime Annual General Meeting respectively;
- the passing of Resolution 1 to be proposed at the General Meeting;
- notice of dissent not having been received from Prime Shareholders holding more than 10 per cent. in nominal value of Prime's issued share capital under Section 111, IA 1986 (this condition may be waived by the Prime Board); and
- the passing of the resolutions to be proposed at the Prime Meetings.

Subject to the above, the Scheme shall become effective immediately after the passing of the special resolution for the winding up of Prime to be proposed at the Prime Second General Meeting. If it becomes effective, the Scheme shall be binding on all Shareholders and Prime Shareholders and all persons claiming through or under them.

If the conditions set out above have not been satisfied by 30 November 2012, the Scheme shall not become effective and the Company will continue in its current form and the Board will continue to keep the future of the Company under review.

9. Dissenting Prime Shareholders

The Liquidators will offer to purchase the holdings of dissenting Prime Shareholders at the break value price of a Prime Share, this being an estimate of the amount a holder of such shares would receive in an ordinary winding-up of Prime if all of the assets of Prime had to be realised. The break value of Prime Shares is expected to be significantly below the unaudited net asset value of such shares due to the nature of the underlying assets. Prime Shareholders should also be aware that a purchase by the Liquidators will be regarded as a disposal for HMRC purposes, thereby triggering the payment of any capital gains tax deferral received on the original subscription (the break value received may not be sufficient to cover the amount of payment due) or up-front income tax relief received on the original subscription if the shares have not been held for the requisite holding period to maintain such relief.

10. Governing Law

The Scheme shall, in all respects, be governed by and construed in accordance with the laws of England and Wales.

PART V
ADDITIONAL INFORMATION

1. Responsibility

The Company, the Directors and the Proposed Director accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company, the Directors and the Proposed Director (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Share Capital

2.1 As at 26 July 2012 (this being the latest practicable date prior to the publication of this document), the issued share capital of the Company was as follows:

	<i>Issued and fully paid</i>	
	<i>No. of Shares</i>	<i>£</i>
Shares (50 pence each)	40,348,003*	20,174,001.50
*3,277,373 Shares being held in treasury.		

2.2 As at 26 July 2012 (this being the latest practicable date prior to the publication of this document), no share or loan capital of the Company was under option or had been agreed, conditionally or unconditionally, to be put under option and the Company holds 3,277,373 Shares in treasury.

3. Directors and their Interests

3.1 The names and business addresses of the Directors, all of whom are non-executive, are as follows:

- David Jones Watkins (*Chairman*)
- John Michael Bryan Leslie Kerr
- Jonathan Neil Rounce
- Jeffrey Warren

all of 1 King's Arms Yard, London EC2R 7AF (the registered office and principal place of business of the Company).

3.2 As at 26 July 2012 (this being the latest practicable date prior to the publication of this document), the interests of the Directors (and their immediate families) and the directors of Prime in the issued share capital of the Company and Prime were as follows:

	<i>Company</i>		<i>Prime</i>	
	<i>Shares</i>	<i>% of issued voting share capital</i>	<i>Prime Shares</i>	<i>% of issued Prime voting share capital</i>
David Watkins	10,000	0.03	–	–
John Kerr	13,109	0.04	–	–
Jonathan Rounce	6,637	0.02	4,892	0.02
Jeff Warren	20,000	0.05	–	–
Martin Bralsford	–	–	30,000	0.14
Ebbe Dinesen	1,883	0.01	11,250	0.05
Modwenna Rees-Mogg	–	–	5,000	0.02
Patrick Reeve	23,666	0.06	21,777	0.10

3.3 Aggregate Directors' emoluments for the current year (assuming the merger does not take place) are expected to be £80,000 (excluding applicable employer's National Insurance Contributions and/or VAT) whilst details of Directors' emoluments for the year ended 31 March 2012 are in the table below.

3.4 Details of the Directors' appointments are as follows:

<i>Director</i>	<i>Date of appointment</i>	<i>Date of appointment letter*</i>	<i>Annual remuneration £**</i>	<i>Year to 31 March 2012 remuneration £**</i>
David Watkins	9 February 1996	9 February 1996	20,000	20,000
John Kerr	9 February 1996	9 February 1996	20,000	20,000
Jonathan Rounce	21 June 2010	21 June 2010	20,000	20,000
Jeff Warren	2 October 2007	2 October 2007	20,000	20,000

* The Directors have been appointed pursuant to appointment letters which do not require either party to give any form of notice before termination of the appointment (respectively).

** No arrangements have been entered into by the Company, entitling the Directors to compensation for loss of office nor have any amounts been set aside to provide pension, retirement or similar benefits.

*** Exclusive of applicable employers National Insurance Contributions.

Assuming the merger is effected, the Proposed Director will be appointed pursuant to an appointment letter on the same terms as the other Directors, with an annual remuneration of £20,000.

3.5 Save in respect of John Kerr, who is a director (until 30 September 2012) and shareholder of Albion Income & Growth VCT PLC, a fund managed by Albion and a member of the investment committee of Albion, there are no potential conflicts of interest between the duties of any Director and their private interests and/or duties.

3.6 Other than disclosed in this paragraph 3, no Director is or has been interested in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company and which was effected by the Company in the years ended 31 March 2010, 2011 and 2012 or in the current financial year or which was effected in an earlier financial year and remains in any respect outstanding or unperformed.

4. Substantial Shareholders

4.1 As at 26 July 2012 (this being the latest practicable date prior to the publication of this document), J M Finn Nominees held 2,159,003 Shares (representing approximately 5.82 per cent. of the Company's total voting rights and 5.35 per cent. of the Company's issued share capital (including Shares held in treasury)).

4.2 Based on the merger illustrations set out in Part IV of this Circular, it is expected that J M Finn Nominees will hold 2,159,003 Shares and Pershling Nominees Limited will hold 2,005,728 Shares following completion of the merger, representing 3.82 per cent. and 3.55 per cent. (respectively) of the expected total voting rights of the Enlarged Company.

4.3 Save as disclosed in paragraph 4.1 and 4.2, the Company is not aware of any person who has, or immediately following the issue of the New Shares pursuant to the Scheme, directly or indirectly will have, an interest in the Company's capital or voting rights which is notifiable under UK law (under which, pursuant to CA 2006 and the Listing Rules and the Disclosure & Transparency Rules of the FSA, a holding of 3 per cent. or more must be notified to the Company).

5. Material Contracts

5.1 Save as disclosed in this paragraph 5.1, the Company has not entered, other than in the ordinary course of business, into any contract which is or may be material to the Company within the two years immediately preceding the publication of this document or into any contract containing provisions under which the Company has any obligation or entitlement which is material to the Company as at the date of this document:

5.1.1 An investment management agreement dated 13 February 1996 between the Company (1) and Albion (2), as novated and supplemented from time to time, pursuant to which Albion provides investment management services and administration services to the Company. Albion is entitled

to an investment management fee payable quarterly in arrears of an amount equivalent to 2 per cent. per annum of the net assets of the Company calculated in accordance with the Company's normal accounting policies (exclusive of VAT, if any) and an annual administration fee payable quarterly in arrears (which amounted to £43,528 for the year ended 31 March 2012) increased annually by RPI (exclusive of VAT, if any).

The normal annual running costs of the Company (including investment management and administration fees due to Albion, directors' remuneration, registrars' fees, stockbrokers' fees, company secretarial fees, auditors' fees and irrecoverable VAT but excluding any exceptional items) are capped at an amount equivalent to 3.5 per cent. of net assets of the Company, with any excess being paid by Albion or refunded by a reduction in Albion's above management and administration fees.

Albion's appointment is terminable on 12 months' notice, subject to earlier termination by the Company if the Company fails to become, or ceases to be, a VCT for tax purposes or Albion commits a material breach of the agreement. The appointment will be automatically terminated if, *inter alia*, (i) either party has a receiver, administrator or liquidator appointed, (ii) Albion ceases to be authorised by the FSA or (iii) Albion commits an act of fraud.

The agreement contains provisions indemnifying Albion against any liability not due to its default, gross negligence, fraud or breach of the FSMA.

Albion will continue to provide investment management and administration services to the Company following the merger on the same basis as above, save that the Company and Albion have agreed that the management fee shall, from the Effective Date, be reduced to an amount equivalent to 1.9 per cent. of the enlarged net assets.

- 5.1.2 A performance incentive agreement dated 26 July 2004 between the Company (1) and Albion (2), as novated and supplemented from time to time, pursuant to which Albion is entitled to an annual performance incentive fee of an amount equal to 8 per cent. of any excess above a total return (representing dividends paid and growth in net asset value) of 5 per cent. per annum, paid annually in cash. Any shortfall of the target return in one year will be carried forward into subsequent periods and the incentive fee will only be paid once all previous and current target returns have been met.
 - 5.1.3 An allocation of investments agreement dated 8 December 2010 between Albion and the various VCTs it manages (including the Company and Prime), pursuant to which the parties have agreed how the allocation of investment opportunities will be regulated. This agreement provides that where more than one VCT wishes to invest in an investee company, the allocation shall be made in accordance with the ratio of funds available for investment, save that (i) where a VCT has less than 75 per cent. of its holdings being qualifying, such weighting shall be increased to 1.5 times or (ii) where a VCT is in the process of disposing an investment, such expected funds shall have a weighting reduced to 0.5 times.
 - 5.1.4 A letter of engagement dated 18 May 2012 between the Company and BDO LLP, pursuant to which BDO LLP will act as sponsor to the Company for the purposes of the merger. The agreement may be terminated if any statement in the Prospectus is untrue, any material omission from the Prospectus arises or any breach of warranty occurs.
- 5.2 The following contracts will be entered into, subject, *inter alia*, to the approval by Shareholders of Resolution 1 and the Scheme becoming effective:
- 5.2.1 A transfer agreement between the Company and Prime (acting through the Liquidators) pursuant to which all of the assets and liabilities of Prime will be transferred to the Company (subject only to the consent required to transfer such assets and liabilities) in consideration for New Shares in accordance with Part IV of this document. The Liquidators will further agree under this agreement that all sale proceeds and/or dividends received in respect of the underlying assets and/or other rights of Prime will be transferred on receipt to the Company as part of the Scheme. This agreement will be entered into as part of the Scheme and is subject to non-material amendments.
 - 5.2.2 An indemnity from the Company to the Liquidators pursuant to which the Company will indemnify the Liquidators for expenses and costs incurred by them in connection with the Scheme. A liquidation fee has been agreed (including an amount representing contingency) and

taken into account in the merger calculations. This agreement will be entered into as part of the Scheme and is subject to non-material amendments.

6. General

- 6.1 The Company was incorporated and registered in England and Wales under CA 1985 as a public company with limited liability on 22 December 1995 with registered number 03142609 and the name Close Brothers Venture Capital Trust PLC. The Company changed its name to Albion Venture Capital Trust PLC on 27 March 2009. The principal legislation under which the Company operates is the CA 2006 (and regulations made thereunder). The legal and commercial name of the Company is Albion Venture Capital Trust PLC. The Company is domiciled in England.
- 6.2 Statutory accounts of the Company for the years ended 31 March 2010, 2011 and 2012 in respect of which the Company's auditors, PKF (UK) LLP, have made unqualified reports under Section 495 CA 2006, have been delivered to the Registrar of Companies and such reports did not contain any statements under Section 495 to Section 497A CA 2006.
- 6.3 Save for the fees paid to the Directors (as detailed in paragraph 3.3 above) and the fees paid to Albion in respect of its management and administration arrangements (as detailed in paragraph 5.1. above), and promotion arrangements of £nil, £3,450, £6,740 and £nil in the years ended 31 March 2010, 2011 and 2012 and to the date of this document in the current financial year, there were no related party transactions or fees paid by the Company during the years ended 31 March 2010, 2011 and 2012 or to the date of this document in the current financial year.
- 6.4 The Company has no employees or subsidiaries.
- 6.5 There has been no significant change in the financial or trading position of the Company since 31 March 2012, the date to which the Annual Report was made up, to the date of this document.
- 6.6 The Company is not and has not at any time in the 12 months immediately preceding the date of this document been involved in any governmental, legal or arbitration proceedings (and the Company is not aware of any such proceedings being pending or threatened) which may have, or have had, a significant effect on the Company's financial position or profitability.

7. Documents Available for Inspection

Copies of the following documents will be available for inspection during normal business hours on any day (Saturdays, Sundays and public holidays excepted) from the date of this document until the Effective Date at the offices of SGH Martineau LLP at One America Square, Crosswall, London EC3N 2SG and also at the registered office of the Company:

- 7.1 the memorandum and articles of association of the Company;
- 7.2 the audited report and accounts of the Company for the financial years ended 31 March 2010, 2011 and 2012;
- 7.3 the audited report and accounts of Prime for the financial years ended 31 March 2010, 2011 and 2012;
- 7.4 the material contracts referred to in paragraph 5 above (the contracts referred to at paragraph 5.2 being subject to non-material amendment);
- 7.5 the Prime Circular;
- 7.6 the Prospectus; and
- 7.7 this document.

27 July 2012

ALBION VENTURE CAPITAL TRUST PLC

(Registered in England and Wales with registered number 03142609)

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of Albion Venture Capital Trust PLC ("the Company") will be held at 12.00 noon on 17 September 2012 (or as soon thereafter as the annual general meeting of the Company convened for 11.00 a.m. on that day has concluded) at The City of London Club, 19 Old Broad Street, London EC2N 1DS, for the purposes of considering and, if thought fit, passing the following resolutions, of which resolution 1 will be proposed as an ordinary resolution and resolutions 2 to 5 will be proposed as special resolutions:

Ordinary Resolution

1. That, subject to the Scheme (as defined in and provided for in the circular to shareholders dated 27 July 2012 ("Circular")) becoming unconditional:
 - (i) the acquisition of the assets and liabilities of Albion Prime VCT PLC on the terms set out in the Circular be and hereby is approved;
 - (ii) in addition to existing authorities, the directors of the Company be and hereby are generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 ("the Act") to exercise all the powers of the Company to allot shares in the Company up to an aggregate nominal amount of £12,500,000 in connection with the Scheme (as defined in the Circular), provided that the authority conferred by this paragraph (ii) shall expire on the date falling 18 months from the date of the passing of this resolution (unless renewed, varied or revoked by the Company in general meeting); and
 - (iii) the existing articles of association of the Company be amended by revoking all the provisions which, by virtue of paragraph 42 of Schedule 2 of The Companies Act 2006 (Commencement No 8 Transitional Provisions and Savings) Order 2008, are to be treated as provisions of its articles of association.

Special Resolutions

2. That in addition to existing authorities and the authority conferred by paragraph (ii) of resolution 1 set out in this notice, the directors of the Company be and hereby are generally and unconditionally authorised in accordance with Section 551 of the Act to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £3,267,400, provided that, the authority conferred by this paragraph (i) shall expire on the conclusion of the annual general meeting of the Company to be held in 2013 (unless renewed, varied or revoked by the Company in general meeting) but so that this authority shall allow the Company to make before the expiry of this authority offers or agreements which would or might require shares to be allotted or rights to be granted after such expiry.
3. That in addition to existing authorities, the directors of the Company be and hereby are empowered pursuant to Sections 570 and 573 of the Act to allot or make offers or agreements to allot equity securities (which expression shall have the meaning ascribed to it in Section 560(1) of the Act) for cash pursuant to the authority given pursuant to resolution 2 or by way of a sale of treasury shares, as if Section 561(1) of the Act did not apply to such allotment, provided that the power provided by this resolution shall expire on the conclusion of the annual general meeting of the Company to be held in 2013 (unless renewed, varied or revoked by the Company in general meeting) and provided further that this power shall be limited to the allotment and issue of shares up to an aggregate nominal value representing 10 per cent. of the issued share capital of the Company from time to time, where the proceeds may in whole or part be used to purchase shares.
4. That in addition to existing authorities, the Company be and hereby is empowered to make one or more market purchases within the meaning of Section 693(4) of the Act of its own shares (either for cancellation or for the retention as treasury shares for future re-issue or transfer) provided that:

- (a) the aggregate number of shares which may be purchased shall not exceed 9,795,666 (representing 14.99 per cent. of the maximum expected issued share capital following implementation of the Scheme); the minimum price which may be paid per share is the nominal value thereof;
- (b) the maximum price which may be paid per share is an amount equal to the higher of (i) 105 per cent. of the average of the middle market quotation per share taken from the London Stock Exchange daily official list for the five business days immediately preceding the day on which such Share is to be purchased; and (ii) the amount stipulated by Article 5(1) of the Buy Back and Stabilisation Regulation 2003;
- (c) the authority conferred by this resolution shall expire on the conclusion of the annual general meeting of the Company to be held in 2013 (unless renewed, varied or revoked by the Company in general meeting); and
- (d) the Company may make a contract to purchase shares under the authority conferred by this resolution prior to the expiry of such authority which will or may be executed wholly or partly after the expiration of such authority and may make a purchase of such shares.

5. That:

- (i) the share capital of the Company (subject to the sanction of the Court) be reduced by cancelling and extinguishing 49 pence of the amount paid up or credited as paid up in respect of the nominal value of each of the ordinary shares of 50 pence each in the capital of the Company which are in issue at 6.00 p.m. on the day before the date on which an order is made confirming such cancellation by the Court;
- (ii) the amount standing to the credit of the share premium account of the Company, at the date an order is made confirming such cancellation by the Court, be and hereby is cancelled; and
- (iii) the amount standing to the credit of the capital redemption reserve of the Company, at the date an order is made confirming such cancellation by the Court, be and hereby is cancelled.

Dated: 27 July 2012

By order of the Board
 Albion Ventures LLP
 Secretary

Registered Office:
 1 King's Arms Yard
 London
 EC2R 7AF

Notes:

1. Each director has an appointment letter with the Company, a copy of which will be available for inspection at the meeting.
2. To be entitled to attend and vote at the meeting (and for the purposes of the determination by the Company of the votes they may cast in accordance with Regulation 41 of the Uncertified Securities Regulations 2001), members must be registered in the register of members of the Company at 6.00 p.m. on 15 September 2012 (or, in the event of any adjournment, 6.00 p.m. on the date which is two days before the date of the adjourned meeting). Changes to the register of members of the Company after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
3. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend, speak and vote on his or her behalf. A proxy need not also be a member but must attend the meeting to represent the member. Details of how to appoint the chairman of the meeting or another person as a proxy using the form of proxy are set out in the notes on the form of proxy. If a member wishes a proxy to speak on the member's behalf at the meeting the member will need to appoint their own choice of proxy (not the chairman) and give their instructions directly to them.
4. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, (an) additional form(s) of proxy should be obtained by contacting the Company's registrar, Computershare Investor Services PLC between 8.30 a.m. and 5.30 p.m. (GMT) Monday to Friday (except UK public holidays) on telephone number 0870 873 5849 or, if telephoning from outside the UK, on +44 870 873 5849. Calls to Computershare Investor Services PLC's helpline (0870 873 5849) are charged at national rates. Further details will be available from your service provider. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. For legal reasons, Computershare Investor Services PLC will be unable to give advice on the merits of the proposals or provide financial, legal, tax or investment advice. A member should indicate in the box next to the proxy holder's name the number of shares in relation to which the proxy is authorised to act as the member's proxy. A member should also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given.

5. A form of proxy is attached to this document and a reply paid envelope is enclosed. To be valid, it should be lodged with the Company's registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY so as to be received not later than 12.00 noon on 15 September 2012 or 48 hours before the time appointed for any adjourned meeting or, in the case of a poll taken subsequent to the date of the meeting or adjourned meeting, so as to be received no later than 24 hours before the time appointed for taking the poll. A member may return a proxy form in their own envelope with the address Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY.
6. As at 26 July 2012 (being the last business day prior to the publication of this notice), the Company's issued voting share capital (excluding treasury shares) was 37,070,630 shares, each carrying one vote each. Therefore, the total voting rights in the Company as at 26 July 2012 was 37,070,630.
7. In accordance with Section 325 of the Companies Act 2006, the right to appoint proxies does not apply to persons nominated to receive information rights under Section 146 of the Companies Act 2006.
8. Any person to whom this notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, in accordance with Section 149(2) of the Companies Act 2006 and under an agreement between him/her and the member by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
9. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
10. In order for a proxy appointment made by means by CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland's specifications and must contain the information required for such instructions, as described in the CREST Manual (www.euroclear.com/CREST). The message must be transmitted so as to be received by the issuer's agent, Computershare (ID 3RA50), by 12.00 noon on 15 September 2012. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
11. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed (a) voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
12. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).
13. The statement of the rights of members in relation to the appointment of proxies in paragraphs 3 to 5 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by members of the Company.
14. If a corporate shareholder has appointed a corporate representative, the corporate representative will have the same powers as the corporation could exercise if it were an individual member of the Company. If more than one corporate representative has been appointed, on a vote on a show of hands on a resolution, each representative will have the same voting rights as the corporation would be entitled to. If more than one authorised person seeks to exercise a power in respect of the same shares, if they purport to exercise the power in the same way, the power is treated as exercised; if they do not purport to exercise the power in the same way, the power is treated as not exercised.
15. Appointment of a proxy will not preclude a member from subsequently attending and voting at the meeting should the member subsequently decide to do so. A member can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy.
16. Information regarding the meeting is also available at the following website: www.albion-ventures.co.uk

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FORM OF PROXY FOR THE GENERAL MEETING

ALBION VENTURE CAPITAL TRUST PLC

I/We
 (Block Capitals Please)

of
 being a shareholder(s) of the above-named Company, appoint the Chairman of the General Meeting

or

for the following number of ordinary shares

to act as my/our proxy to vote for me/us and on my/our behalf at the General Meeting of the Company to be held at The City of London Club, 19 Old Broad Street, London EC2N 1DS at 12.00 noon on 17 September 2012 (see note 1 below) and at every adjournment thereof and to vote for me/us on my/our behalf as directed below.

Please indicate with an 'X' if this is one of multiple proxy instructions being given.

The proxy is directed to vote as follows:

	For	Against	Discretion	Vote Withheld
Ordinary Resolution				
Resolution 1. Composite resolution to approve the acquisition of the assets and liabilities of Albion Prime VCT PLC pursuant to a scheme of reconstruction and authority to issue shares in connection with the scheme and amend the articles of association.				
Special Resolutions				
Resolution 2. Authority to allot shares.				
Resolution 3. Disapplication of pre-emption rights.				
Resolution 4. Authority to buy back shares.				
Resolution 5. Composite resolution to extinguish 49 pence of the nominal value of a share, cancel the share premium account and the capital redemption reserve (in each case, subject to the sanction of the Court).				

Signature Dated.....2012

Notes:

1. The notice of the General Meeting is set out in the circular to shareholders of the Company dated 27 July 2012.
2. If any other proxy is preferred, strike out the words "Chairman of the General Meeting" and add the name and address of the proxy you wish to appoint. The proxy need not be a member.
3. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, (an) additional form(s) of proxy should be obtained by contacting the Company's registrar, Computershare Investor Services PLC, between 8.30 a.m. and 5.30 p.m. (GMT) Monday to Friday on telephone number 0870 873 5849 or, if telephoning from outside the UK, on +44 870 873 5849. Calls to Computershare Investor Services PLC's helpline (0870 873 5849) are charged at national rates. Further details will be available from your service provider. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. For legal reasons, Computershare Investor Services PLC will be unable to give advice on the merits of the proposals or provide financial, legal, tax or investment advice.
 Please also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given.
4. Any alterations to the form should be initialled.
5. If the appointer is a corporation, this form must be completed under its common seal or under the hand of an officer or attorney duly authorised in writing.
6. The signature of any one of joint holders will be sufficient, but the names of all the joint holders should be stated.
7. To be valid, this form and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power must reach the registrars of the Company at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY not less than forty-eight hours before the time appointed for holding the General Meeting or adjournment as the case may be. A reply paid envelope is enclosed for use. A member may also return a proxy form in their own envelope using the address: Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY.
8. The completion of this form will not preclude a member from attending the General Meeting and voting in person.

